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Sequence Number: 11-12-11  
Notice ID(s): 1688-1691  
File Date: 11/17/2011

## Notice of Rulemaking Hearing

Hearings will be conducted in the manner prescribed by the Uniform Administrative Procedures Act, Tennessee Code Annotated, Section 4-5-204. For questions and copies of the notice, contact the person listed below.

Agency/Board/Commission:	Tennessee Real Estate Appraiser Commission
Division:	
Contact Person:	Aminah Peay Saunders
Address:	500 James Robertson Pkwy., Nashville, TN 37243
Phone:	615-532-6304
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Any Individuals with disabilities who wish to participate in these proceedings (to review these filings) and may require aid to facilitate such participation should contact the following at least 10 days prior to the hearing:

ADA Contact:	Don Coleman
Address:	500 James Robertson Parkway, 5 <sup>th</sup> Floor, Nashville, Tennessee 37243
Phone:	615-741-0481
Email:	don.coleman@state.tn.us

Hearing Location(s) (for additional locations, copy and paste table)

Address 1:	Andrew Johnson Tower
Address 2:	710 James Robertson Parkway, 2 <sup>nd</sup> Floor Conference Room
City:	Nashville
Zip:	37243
Hearing Date:	January 17, 2012
Hearing Time:	8:30 a.m. X CST EST

Additional Hearing Information:

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Revision Type (check all that apply):

- ☒ Amendment  
☐ New  
☒ Repeal

Rule(s) (ALL chapters and rules contained in filing must be listed. If needed, copy and paste additional tables to accommodate more than one chapter. Please enter only ONE Rule Number/Rule Title per row.)

Chapter Number	Chapter Title
1255-01	General Provisions
Rule Number	Rule Title
1255-01-.04	Application for Appraiser License or Certificate

1255-01-.07	Qualifications for State Certified Residential Appraisers
1255-01-.08	Qualification for General Certification
1255-01-.11	License and Certificate Renewal
1255-01-.12	Registered Trainee
Chapter Number	Chapter Title
1255-02	Evaluation of Appraiser Education
Rule Number	Rule Title
1255-02-.01	Educational Logging
1255-02-.03	Course Provider Applications
1255-02-.04	Course Guidelines
1255-02-.13	Fees
Chapter Number	Chapter Title
1255-03	Evaluation of Appraiser Experience
Rule Number	Rule Title
1255-03-.01	Hourly Credit Guidelines
1255-03-.02	Criteria for Standard and Review Appraisal Experience
Chapter Number	Chapter Title
1255-04	Continuing Education
Rule Number	Rule Title
1255-04-.01	Continuing Education Requirements

## Chapter 1255-01 General Provisions

### Amendments

Rule 1255-01-.04 Application for Appraiser License or Certificate is amended by deleting the text of the rule in its entirety and substituting instead the following so that as amended the rule shall read:

#### Rule 1255-01-.04 Application for Appraiser License or Certificate

- (1) A person who wishes to file an application for a real estate appraiser license or certificate may obtain the required form upon request to the Commission.
- (2) At the time of filing an application for licensure or certification, each applicant shall sign a pledge to comply with the standards set forth in the Act and the Commission's rules and state that the applicant understands the types of misconduct for which disciplinary proceedings may be initiated against a state licensed or certified appraiser, as set forth in the Act.
- (3) Each applicant shall complete all application and examination requirements within one (1) year of the date the Commission grants approval for the applicant to take the required examination. An applicant may not take the required examination more than four (4) times within the one (1) year period following approval; thereafter, an applicant wishing to take the required examination shall reapply and submit a new application fee. The Commission may grant exceptions to the requirements set forth in this paragraph upon appropriate individual request.
- (4) Any person may apply for upgrade of an unexpired license or certificate by filing an application for the same on a form which may be obtained from the Commission. The appropriate application fee must be filed with the application.
- (5) Filing and Fees. Properly completed applications must be accompanied by the appropriate fees. Once the application has been filed and processed, the application fee may not be refunded. The following fees shall be charged:

- (a) Application for initial real estate appraiser license ..... \$125.00
- (b) Application for initial real estate appraiser certificate ..... \$125.00
- (c) License or certificate issuance fee ..... \$350.00
- (d) Application for upgrade ..... \$125.00
- (e) Letter of good standing ..... \$ 25.00

- (6) Payment of application fees shall be made by certified check, bank check or money order made payable to the State of Tennessee.

Authority: T.C.A. §§ 62-39-203, 62-39-204, 62-39-206, 62-39-307, 62-39-312, 62-39-315 and 62-39-333. Administrative History: Original rule filed August 1, 1991; effective September 15, 1991. Amendment filed October 26, 1993; effective January 11, 1994. Amendment filed December 16, 1997; effective March 1, 1998. Amendment filed January 19, 2001; effective April 5, 2001.

Rule 1255-01-.07 Qualifications for State Certified Residential Appraisers is amended by deleting the text of the rule in its entirety and substituting instead the following so that as amended the rule shall read:

1255 - 01-.07 Qualifications for State Certified Residential Appraisers

- (1) An applicant applying for a state certified residential real estate appraiser certification shall first register as a real estate appraiser trainee, or be a licensed or certified general real estate appraiser. The applicant shall then satisfy all of the following education, experience and examination requirements:

- (a) General Education. An applicant shall satisfy the following general education requirements as a prerequisite for certification as a state certified residential real estate appraiser:

1. Associate degree or higher, or in lieu of a degree, a minimum of twenty-one (21) college semester hours in all specified coursework as follows:
  - (i) English composition,
  - (ii) principles of economics (micro or macro),
  - (iii) computers-word processing/spreadsheets,
  - (iv) finance,
  - (v) business or real estate law,
  - (vi) algebra, geometry, or higher mathematics, and
  - (vii) statistics.

- (b) Appraisal Education. An applicant shall satisfy the following appraisal education requirements as a prerequisite to sit for the state certified residential appraiser examination:

1. Two hundred (200) classroom hours of courses in subjects related to real estate appraisal (hereinafter "qualifying education requirement"). These modules shall include:
  - (i) Successful completion of fifteen (15) hours of the National Uniform Standards of Professional Appraisal Practice Course or its equivalent. Equivalency shall be determined through the Appraiser Qualifications Board Course Approval Program or by an alternate method established by the Appraiser Qualifications Board,

- (i) The Commission shall grant an applicant credit toward the qualifying education requirement for the National Uniform Standards of Professional Appraisal Practice Course only when at least one of the course instructors is an AQB Certified USPAP Instructor who is also a state certified residential real estate appraiser or state certified general real estate appraiser.
  - (ii) Successful completion of a thirty (30) hour course in Appraisal Principles,
  - (iii) Successful completion of a thirty (30) hour course in Appraisal Practice or Procedures,
  - (iv) Successful completion of a fifteen (15) hour course in Residential Market Analysis and Highest and Best Use,
  - (v) Successful completion of a fifteen (15) hour course in Residential Appraiser Site Valuation and Cost Approach,
  - (vi) Successful completion of a thirty (30) hour course in Sales Comparison and Income Approaches,
  - (vii) Successful completion of a fifteen (15) hour course in Residential Report Writing and Case Studies,
  - (viii) Successful completion of a fifteen (15) hour course in Statistics, Modeling and Finance,
  - (ix) Successful completion of a fifteen (15) hour course in Advanced Residential Applications and Case Studies, and
  - (x) Successful completion of twenty (20) hours of appraisal subject matter electives. These may include hours over minimum shown above in other modules.
2. A course hour is defined as fifty (50) minutes of teaching out of each sixty (60) minute segment.
3. The Commission may grant credit toward the qualifying education requirement only where the length of the educational offering is at least fifteen (15) hours and an applicant successfully completes an examination pertinent to that educational offering.
4. An applicant may obtain credit for the qualifying education requirement from any of the following:
  - (i) colleges or universities
  - (ii) community or junior colleges
  - (iii) real estate appraisal or real estate related organizations
  - (iv) state or federal agencies or commissions
  - (v) proprietary schools
  - (vi) other providers approved by the Commission
5. The qualifying education requirement may include the one hundred fifty (150) hour qualifying education requirement for the state licensed real estate appraiser classification.

6. An applicant may refer to Chapter 1255-02 Evaluation of Education for further delineation of the qualifying education requirements.
  7. In the event of a denial, an applicant for certification may file a written request for reconsideration with the Commission, appealing the Commission's evaluation of the applicant's education. The Commission shall consider the filed written request for reconsideration and reevaluate the applicant's education. In the event that the applicant's application for certification is denied after the education reevaluation, then the denial shall not create a contested case proceeding (as defined by the Tennessee Administrative Procedures Act, Tenn. Code Ann., Title 4, Chapter 5) and the applicant may then reapply for certification.
- (c) Foreign Education. An applicant seeking to satisfy the general education requirements for a state certified residential appraiser credential with college level education from a foreign institution shall have their education evaluated for equivalency by an accredited, degree granting domestic college or University, The American Association of Collegiate Registrars and Admissions Officers (AACRAO), a foreign degree credential evaluation service company that is a member of the National Association of Credential Evaluation Services (NACES) or a foreign degree credential evaluation service company that provides equivalency evaluation reports accepted by an accredited degree - granting domestic college or University or by a state licensing board that issues credentials in another discipline.
- (d) Experience. An applicant shall satisfy the following experience requirements as a prerequisite for certification as a state certified residential real estate appraiser:
1. An applicant shall complete a minimum of two thousand five hundred (2,500) hours of appraisal experience over a period of at least twenty-four (24) months, and the Commission shall treat the hours accumulated over the twenty-four (24) months as cumulative. A registered trainee applicant shall complete the minimum of twenty-four (24) months of appraisal experience under the direct supervision of an appraiser certified by a real estate appraiser commission or board in any state. The experience must be sufficient to indicate to the Commission that the applicant is competent in the Uniform Standards of Professional Appraisal Practice. Acceptable appraisal experience includes, but is not limited to the following: fee and staff appraisal, ad valorem tax appraisal, condemnation appraisal, technical review appraisal, appraisal analysis, real estate consulting, highest and best use analysis, and feasibility analysis/study.
  2. The applicant may also obtain equivalent experience. The Commission shall determine what is considered equivalent experience, which demonstrates the applicant's competence in the Uniform Standards of Professional Appraisal Practice. Equivalent experience shall be limited to the following:
    - (i) A minimum of twenty-four (24) months of experience as a licensed or certified real estate appraiser in another state, territory or possession of the United States, or in any country; provided, that the applicant has otherwise met all other requirements of Title 62, Chapter 39, and the rules promulgated by the Commission.
  3. An applicant shall provide to the Commission a detailed listing of the types of real estate appraisal reports or file memoranda completed by the applicant for each twelve (12)-month period during which the applicant claims that he or she has gained experience. The applicant shall provide verification for experience credit claimed on forms prescribed by the Commission which shall include the following information:
    - (i) type of property;

- (ii) date of report;
  - (iii) address of appraised property;
  - (iv) description of work performed by the trainee/applicant and scope of the review and supervision of the supervising appraiser;
  - (v) number of actual work hours by the trainee/applicant on the assignment, up to the maximum allotted by property type;
  - (vi) client name and address; and,
  - (vii) signature and State certification number of the supervising appraiser, if applicable.
4. No experience credit will be granted that was obtained prior to January 30, 1989. An applicant shall submit sufficient recent experience to demonstrate the ability to apply the current Uniform Standards of Professional Appraisal Practice provisions.
  5. There is no minimum number of hours that must have been obtained in any one (1) twelve (12)-month period.
- (e) Examination. An applicant shall successfully complete the Appraiser Qualifications Board endorsed Uniform State Certified Residential Real Property Appraiser Examination. An applicant must obtain certification designation within twenty-four (24) months from the date of passing score on the exam.
  - (f) If, after passing the residential certification examination, a registered trainee fails to meet all other requirements for residential certification prior to the expiration of the trainee's registration and the trainee fails to renew such registration, then the trainee may reapply for certification and retake the examination.
  - (g) Once the applicant has completed all of the required qualifying education and experience, then the applicant may submit his or her application for certification. The Commission office shall not process an applicant's application if the required qualifying education and experience has not been satisfied or if the application is incomplete. The Commission office shall keep an incomplete application active for six (6) months, unless the applicant requests an extension in writing to the Commission.
  - (h) ~~An applicant may complete the education, experience, and/or the examination~~ requirements for licensure before January 1, 2008, in accordance with the Real Property Appraiser Qualifications Criteria including all interpretations and supplementary information as of November 1, 2005, as promulgated by the Appraiser Qualifications Board. In the event that an applicant starts, but does not complete all of the education, experience, and/or examination requirement for certification before January 1, 2008, then the applicant must complete the incomplete component(s) in accordance with the Appraiser Qualifications Criteria which became effective on January 1, 2008.
1. An applicant completing the education segment of the qualification criteria prior to January 1, 2008 will be required to complete one hundred twenty (120) hours of qualifying education of which shall include:
    - (i) Successful completion of fifteen (15) hours of the National Uniform Standards of Professional Appraisal Practice Course or its equivalent. Equivalency shall be determined by the Appraiser Qualifications Board Course Approval Program or by an alternate method established by the Appraiser Qualifications Board,

- (i) The Commission shall grant an applicant credit toward the qualifying education requirement for the National Uniform Standards of Professional Appraisal Practice Course only when the course is instructed by an Appraiser Qualifications Board Certified Instructor(s), of which there must be at least one (1) state certified residential real estate appraiser or state certified general real estate appraiser.
  - (ii) Successful completion of a thirty (30) hour course in Appraisal Principles, and
  - (iii) Successful completion of a thirty (30) hour course in Appraisal Practice or Procedures.
  - (iv) The remaining hours selected from courses approved as qualifying education at the time the course was offered.
2. An applicant applying for a State Certified Residential Appraiser certification who holds a current State Licensed Appraiser may satisfy the educational requirements for the State Certified Residential Real Estate Appraiser credential by completing the following additional educational hours:
- (i) Successful completion of a fifteen (15) hour course in Statistics, Modeling and Finance;
  - (ii) Successful completion of a fifteen (15) hour course in Advanced Residential Applications and Case Studies; and,
  - (iii) Successful completion of twenty (20) hours of appraisal subject matter electives. These may include hours over minimum shown above in other modules.
3. An applicant applying for a State Certified Residential Appraiser certification pursuant to subsection (2) must also satisfy the college-level educational requirements as specified in 1255-1-.07(1)(a).

Authority: T.C.A. §§62-39-203, 62-39-204, 62-39-311, 62-39-312, 62-39-313, 62-39-329, 62-39-333, and 62-39-337. Administrative History: Original rule filed August 1, 1991; effective September 15, 1991. Amendment filed December 16, 1997; effective March 1, 1998. Repeal and new rule filed December 13, 2004; effective February 26, 2005. Repeal and new rule filed December 6, 2007; effective February 19, 2008.

Rule 1255-01-.08 Qualification for General Certification is amended by deleting the text of the rule in its entirety and substituting instead the following so that as amended the rule shall read:

1255-01-.08 Qualifications for General Certification

- (1) An applicant applying for a state certified general real estate appraiser license shall first register as a real estate appraiser trainee, or be a licensed or certified residential real estate appraiser, and complete the experience requirements established in rule 1255-01-.12 and shall then satisfy the following education, experience and examination requirements as a prerequisite for certification:
  - (a) General Education. An applicant shall satisfy the following general education requirements as a prerequisite for certification as a state certified general real estate appraiser:
    - 1. Bachelors degree or higher, or in lieu of a degree, a minimum of thirty (30) college semester hours in all specified coursework as follows:

- (i) English composition,
- (ii) micro-economics and macro-economics,
- (iii) computers-word processing/spreadsheets,
- (iv) finance,
- (v) business or real estate law,
- (vi) algebra, geometry, or higher mathematics,
- (vii) statistics, and
- (viii) electives in accounting, geography, agricultural economics, business management, or real estate.

(b) Appraisal Education. An applicant shall satisfy the following appraisal education requirements as a prerequisite to sit for the state certified general appraiser examination:

1. Three hundred (300) classroom hours of courses in subjects related to real estate appraisal. These modules shall include (hereinafter "qualifying education requirement"):

(i) Fifteen (15) hours of the three hundred (300) hours must include the successful completion of the National Uniform Standards of Professional Appraisal Practice Course or its equivalent. Equivalency shall be determined through the Appraiser Qualifications Board Course Approval Program or by an alternate method established by the Appraiser Qualifications Board,

(I) The Commission shall grant an applicant credit toward the qualifying education requirement for the National Uniform Standards of Professional Appraisal Practice Course only when at least one of the course instructors is an AQB Certified USPAP Instructor who is also a state certified residential real estate appraiser or state certified general real estate appraiser.

(ii) Successful completion of a thirty (30) hour course in Appraisal Principles,

(iii) Successful completion of a thirty (30) hour course in Appraisal Practice or Procedures,

(iv) Successful completion of a thirty (30) hour course in General Appraiser Market Analysis and Highest and Best Use,

(v) Successful completion of a fifteen (15) hour course in Statistics, Modeling and Finance,

(vi) Successful completion of a thirty (30) hour course in General Appraiser Sales Comparison Approach,

(vii) Successful completion of a thirty (30) hour course in General Appraiser Site Valuation and Cost Approach,

(viii) Successful completion of a sixty (60) hour course in General Appraiser Income Approach,

(ix) Successful completion of a thirty (30) hour course in General Appraiser Report Writing and Case Studies, and



(x) Successful completion of thirty (30) hours of appraisal subject matter electives. These may include hours over minimum shown above in other modules.

2. A course hour is defined as fifty (50) minutes of teaching out of each sixty (60) minute segment.
3. An applicant's qualifying education requirement may include the one hundred fifty (150) classroom hour requirement for the licensed real estate appraiser classification or the two hundred (200) hour requirement for the certified residential real estate appraiser classification.
4. The Commission may grant an applicant credit toward the qualifying education requirement only where the length of the educational offering is at least fifteen (15) hours and the applicant successfully completes an examination pertinent to that educational offering.
5. An applicant may obtain credit for the qualifying education requirement from the following:
  - (i) colleges or universities
  - (ii) community or junior colleges
  - (iii) real estate appraisal or real estate related organizations
  - (iv) state or federal agencies or commissions
  - (v) proprietary schools
  - (vi) other providers approved by the Commission
6. An applicant should refer to Chapter 1255-02 Evaluation of Education for further delineation of educational requirements.
7. In the event that an applicant is denied, then an applicant for certification may file a written request for reconsideration with the Commission, appealing the Commission's evaluation of his or her education. The Commission shall consider the filed written request for reconsideration and reevaluate the applicant's education. In the event that the applicant's application for certification is denied after the education reevaluation, then the denial shall not create a contested case proceeding (as defined by the Tennessee Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5) and the applicant may then reapply for certification.

(c) Foreign Education. An applicant seeking to satisfy the general education requirements for a state certified general appraiser credential with college level education from a foreign institution shall have their education evaluated for equivalency by an accredited, degree granting domestic college or University, The American Association of Collegiate Registrars and Admissions Officers (AACRAO), a foreign degree credential evaluation service company that is a member of the National Association of Credential Evaluation Services (NACES) or a foreign degree credential evaluation service company that provides equivalency evaluation reports accepted by an accredited degree - granting domestic college or University or by a state licensing board that issues credentials in another discipline.

(d) Experience. An applicant must satisfy the following experience requirements as a prerequisite for certification as a state certified general real estate appraiser:

1. An applicant shall complete three thousand (3,000) hours of appraisal experience over a period of at least thirty (30) months preceding the date of the applicant's application to the Commission and the Commission shall treat the hours as cumulative. A registered trainee applicant shall complete the minimum of thirty (30) months of appraisal experience under the direct supervision of an appraiser certified by a real estate appraiser commission or board in any state. The experience must be sufficient to indicate to the Commission that the applicant is competent in the Uniform Standards of Professional Appraisal Practice. Acceptable appraisal experience includes, but is not limited to the following: fee and staff appraisal, ad valorem tax appraisal, condemnation appraisal, technical review appraisal, appraisal analysis, real estate consulting, highest and best use analysis, and feasibility analysis/study.
2. An applicant may obtain equivalent experience. The Commission shall determine what is considered equivalent experience, which demonstrates the applicant's competence in the Uniform Standards of Professional Appraisal Practice. Equivalent experience shall be limited to the following:
  - (i) A minimum of thirty (30) months of experience as a licensed or certified real estate appraiser in another state, territory or possession of the United States, or in any country; provided, that the applicant has otherwise met all requirements of Title 62, Chapter 39, and the rules promulgated by the Commission.
3. An applicant shall complete at least one thousand five hundred (1,500) hours of the total three thousand (3,000) hours in non-residential appraisal work. Residential means one (1) to four (4) residential units. An applicant shall ensure that his or her experience shall satisfactorily demonstrate competence in the cost, income capitalization and direct sales comparison approaches to value.
4. An applicant shall provide to the Commission a detailed listing of the types of real estate appraisal reports or file memoranda completed by the applicant for each twelve (12)-month period during which the applicant claims that he or she has gained experience. The applicant shall provide verification for experience credit claimed on forms prescribed by the Commission, which shall include the following information:
  - (i) type of property,
  - (ii) date of report,
  - (iii) address of appraised property,
  - (iv) description of work performed by the trainee/applicant and scope of the review and supervision of the supervising appraiser,
  - (v) number of actual work hours by the trainee/applicant on the assignment, up to the maximum allotted by property type,
  - (vi) client name and address, and
  - (vii) signature and State certification number of the supervising appraiser, if applicable.
5. No experience credit will be granted that was obtained prior to January 30, 1989. An applicant shall submit sufficient recent experience to demonstrate the ability to apply the current Uniform Standards of Professional Appraisal Practice provisions.

6. There is no minimum number of hours that must have been obtained in any one (1) twelve (12)-month period.
  - (e) Examination. An applicant shall successfully complete the Appraiser Qualifications Board endorsed Uniform State Certified General Real Property Appraiser Examination. An applicant must obtain licensure or certification designation within twenty-four (24) months from the date of passing score on the exam.
  - (f) If, after passing the general certification examination, a registered trainee fails to meet any other requirements for certification prior to the expiration of the trainee's registration and the trainee fails to renew such registration, then the trainee may reapply for certification and retake the examination.
  - (g) Once the applicant has completed all of the required qualifying education and experience, then the applicant may submit his or her application for certification. The Commission office shall not process an applicant's application if the required qualifying education and experience has not been satisfied or if the application is incomplete. The Commission office shall keep an incomplete application active for six (6) months, unless the applicant requests an extension in writing to the Commission.
  - (h) An applicant may complete the education, experience, and/or the examination requirements for licensure before January 1, 2008, in accordance with the Real Property Appraiser Qualifications Criteria including all interpretations and supplementary information as of November 1, 2005, as promulgated by the Appraiser Qualifications Board. In the event that an applicant starts, but does not complete all of the education, experience, and/or examination requirement for certification before January 1, 2008, then the applicant must complete the incomplete component(s) in accordance with the Appraiser Qualifications Criteria which became effective on January 1, 2008.
1. An applicant completing the education segment of the qualification criteria prior to January 1, 2008, will be required to complete one hundred-eighty (180) hours of qualifying education, which shall include:
  - (i) Successful completion of fifteen (15) hours of the National Uniform Standards of Professional Appraisal Practice Course or its equivalent. Equivalency shall be determined by the Appraiser Qualifications Board Course Approval Program or by an alternate method established by the Appraiser Qualifications Board.
  - (I) The Commission shall grant an applicant credit toward the qualifying education requirement for the National Uniform Standards of Professional Appraisal Practice Course only when the course is instructed by an Appraiser Qualifications Board Certified Instructor(s), of which there must be at least one (1) state certified residential real estate appraiser or state certified general real estate appraiser.
  - (ii) Successful completion of a thirty (30) hour course in Appraisal Principles, and
  - (iii) Successful completion of a thirty (30) hour course in Appraisal Practice or Procedures.
  - (iv) The remaining hours selected from courses approved as qualifying education at the time the course was offered.
2. An applicant applying for a State Certified General Appraiser certification who holds a current State Licensed Appraiser credential may satisfy the educational requirements for State Certified General Appraiser by completing the following additional educational hours:

- (i) Successful completion of a thirty (30) hour General Appraiser Market Analysis and Highest and Best Use course;
- (ii) Successful completion of a thirty (30) hour General Appraiser Site Valuation and Cost Approach course;
- (iii) Successful completion of a thirty (30) hour General Appraiser Sales Comparison Approach course;
- (iv) Successful completion of a thirty (30) hour General Report Writing and Case Studies course;
- (v) Successful completion of a fifteen (15) hour Statistics, Modeling and Finance course;
- (vi) Successful completion of a sixty (60) hour General Appraiser Income Approach course; and,
- (viii) Successful completion of fifteen (15) hours of Appraisal Subject Matters electives.

3. An applicant applying for a State Certified General Appraiser Certification who holds a current State Certified Residential Appraiser credential, and completed the educational component may satisfy the educational requirements for State Certified General Appraiser by completing the following additional educational hours:

- (i). Successful completion of a thirty (30) hour General Appraiser Market Analysis and Highest and Best Use course;
- (ii) Successful completion of a thirty (30) hour General Appraiser Sales Comparison Approach course;
- (iii) Successful completion of a thirty (30) hour Site Valuation and Cost Approach course;
- (iv) Successful completion of a sixty (60) hour General Appraiser Income Approach course; and,
- (v) Successful completion of a thirty (30) hour General Appraiser Report Writing and Case Studies course.

(e) An applicant applying for a State Certified Residential Appraiser certification pursuant to subsection (h) must also satisfy the college-level educational requirements as specified in 1255-1-.08 (1) (a).

Authority: T.C.A. §§ 62-39-203, 62-39-204, 62-39-311, 62-39-312, 62-39-313, 62-39-329, 62-39-333, and 62-39-337. Administrative History: Original rule filed August 1, 1991; effective September 15, 1991. Amendment filed December 16, 1997; effective March 1, 1998. Repeal and new rule filed December 13, 2004; effective February 26, 2005. Repeal and new rule filed December 6, 2007; effective February 19, 2008. Amendment filed April 14, 2008; effective August 28, 2008.

Rule 1255-01-.11 License and Certificate Renewal is amended by deleting the text of the rule in its entirety and substituting instead the following so that as amended the rule shall read:

1255-01-.11 License and Certificate Renewal

SS-7037 (October 2009)

- (1) To obtain renewal of a license or certificate, the holder of a current, valid license or certificate must make application on a form available from the Commission not earlier than one hundred twenty (120) days nor later than thirty (30) days prior to the expiration of the license or certificate then held.
- (2) An application for renewal must be accompanied by the following renewal fee, plus the applicable federal registry fee:
  - (a) Renewal of real estate appraiser license . . . . . \$350.00
  - (b) Renewal of real estate appraiser certificate . . . . . \$350.00
- (3) Each application for renewal of a license or certificate shall be accompanied by sufficient evidence of having completed the continuing education requirement for renewal specified in the Act and the rules and presented in the form prescribed in Chapter 1255-4 Continuing Education.
- (4) If a license or certificate holder fails to renew his or her license or certificate before thirty (30) days prior to the expiration thereof, the license or certificate holder may, upon payment of a one hundred dollar (\$100.00) penalty, apply for renewal.
- (5) No late renewal will be granted if over twelve (12) months have passed since the expiration of the license or certificate.

Authority: T.C.A. §§62-39-203, 62-39-204, 62-39-206 62-39-301, 62-39-307, 62-39-315 and 62-39-333.  
 Administrative History: Original rule filed August 1, 1991; effective September 15, 1991. Amendment filed October 26, 1993, effective January 11, 1994. Amendment filed December 16, 1997; effective March 1, 1998. Amendment filed January 19, 2001; effective April 5, 2001. Amendment filed December 6, 2007; effective February 19, 2008.

Rule1255-01-.12 Registered Trainee is amended by deleting the text of the rule in its entirety and substituting instead the following so that as amended the rule shall read:

**Rule1255-01-.12 Registered Trainee**

- (1) Application. An applicant for registration as a real estate appraiser trainee shall successfully complete the following requirements prior to obtaining registration:
  - (a) Obtain and complete the required application form from the Commission.
  - (b) Provide proof on the application form showing that he or she has obtained a high school diploma or its equivalent.
  - (c) Provide on the application form the name and certificate number of the certified real estate appraiser under whose direct supervision the applicant will serve.
  - (d) Provide the business address of his or her supervising appraiser and use that address as his or her business address. If an applicant has more than one (1) supervising appraiser, then the applicant shall use the business address of at least one (1) of his or her supervising appraisers.
  - (e) Complete an approved thirty (30)-hour course in Appraisal Principles, an approved thirty (30)-hour course in Practices and Procedures, and the fifteen (15)-hour National Uniform Standards of Professional Appraisal Practice Course.
  - (f) Submit with the application a nonrefundable application and registration fee of one hundred twenty-five dollars (\$125.00).

- (2) Upon receipt of a properly completed application form with the required aforementioned documentation and the required fee, the Commission shall review the application to determine whether to issue the applicant a real estate appraiser trainee registration certificate and number.
- (3) Education. Before registration, an applicant for trainee registration shall complete seventy-five (75) hours of courses in subjects related to real estate appraisal, which shall include, but shall not be limited to coverage of the Uniform Standards of Professional Appraisal Practice (hereinafter, "course credit"). An applicant shall complete the required course credit as a prerequisite to applying for registration as a registered trainee. All applicants shall submit evidence of completion of a minimum of an approved thirty (30)-hour course in Appraisal Principles, an approved thirty (30)-hour course in Practices and Procedures, and the fifteen (15)-hour National Uniform Standards of Professional Appraisal Practice Course. An applicant shall also ensure that his or her course credit complies with the following:
- (a) A course hour is defined as fifty (50) minutes of teaching out of each sixty (60) minute segment.
  - (b) An applicant may obtain course credit only where the minimum length of the education offering is fifteen (15) hours and the individual successfully completes the examination pertinent to that educational offering.
  - (c) An applicant may obtain course credit from the following:
    - 1. colleges or universities,
    - 2. community or junior colleges,
    - 3. real estate appraisal or real estate related organizations,
    - 4. proprietary schools,
    - 5. other providers approved by the Commission.
  - (d) An applicant shall obtain course credit within the five (5)-year period immediately preceding an applicant's submission of his or her application for registration as a registered trainee.
  - (e) The content for courses shall include, but is not limited to, coverage of the following real estate appraisal related topics:
    - 1. influences on real estate value,
    - 2. legal considerations in appraisals,
    - 3. types of value,
    - 4. economic principles,
    - 5. real estate markets and analysis,
    - 6. valuation process,
    - 7. property description,
    - 8. highest and best use analysis,
    - 9. appraisal statistical concepts,
    - 10. sales comparison approach,

11. site value,
12. cost approach,
13. income approach,
14. valuation of partial interests, and
15. appraisal standards and ethics.

(4) Experience.

- (a) There is no experience prerequisite for an applicant to become a registered trainee.
- (b) A registered trainee may have more than one (1) supervising appraiser.
- (c) A registered trainee shall be subject to direct supervision by a supervising appraiser who shall be a state certified residential real estate appraiser or a state certified general real estate appraiser in good standing.
- (d) A registered trainee shall only appraise those properties which the supervising appraiser is permitted to appraise.
- (e) If a trainee's registration has expired or the trainee is no longer under the supervision of a state certified residential or state certified general real estate appraiser, then the registered trainee shall not perform the duties as a registered trainee until he or she submits an affidavit on a form provided by the Commission which states that he or she has a supervising appraiser. The registered trainee's supervising appraiser shall sign the affidavit stating that he or she is the supervising appraiser responsible for the registered trainee.
- (f) A registered trainee shall maintain an appraisal log of his or her experience, shall maintain a separate appraisal log for each supervising appraiser, and shall, at a minimum, include the following in the appraisal log:
  1. type of property,
  2. date of report,
  3. address of appraised property,
  4. description of work performed by the trainee/applicant and scope of the review and supervision of the supervising appraiser,
  5. number of actual work hours by the trainee/applicant on the assignment, up to the maximum allotted by property type,
  6. client name and address, and
  7. signature and State certification number of the supervising appraiser.
- (g) A registered trainee may conduct property inspections alone (without being accompanied by the supervising appraiser) only after completing five hundred (500) hours of acceptable experience. In order to conduct property inspections pursuant to this paragraph, the registered trainee shall submit a form to the Commission on which both the registered trainee and the supervising appraiser shall certify the experience.
- (h) A registered trainee shall comply with the Uniform Standards of Professional Appraisal Practice.

(5) Examination.

- (a) There is no examination prerequisite for an applicant to become a registered trainee.
  - (b) A registered trainee or applicant for registration as a registered trainee may apply to take the examination for a state licensed real estate appraiser license or a state certified residential appraiser; provided, that the applicant and/or registered trainee has completed all appropriate education requirements. An applicant for registration as a trainee and/or registered trainee may not apply to take the examination for a state certified general real estate appraiser until the trainee has completed all other requirements for general certification.
  - (c) If a registered trainee applies to take the examination prior to application for licensure and completion of the experience interview they shall remit a nonrefundable fee of fifty dollars (\$50.00) with his or her application to take the examination for a state licensed real estate appraiser or a state certified residential real estate appraiser. A registered trainee must obtain licensure or certification within twenty four (24) months of the examination date.
  - (d) A license or residential certificate will be issued to a registered trainee or applicant for registration as a registered trainee who passes the examination, only upon the registered trainee or applicant for registration as a registered trainee completing all requirements for licensure or residential certification. If all other requirements are not met prior to the expiration of a trainee's registration and the registered trainee fails to renew, then he or she loses credit for passing the examination.
  - (e) Once the registered trainee has completed all of the required qualifying education and experience, then the trainee may submit his or her application for registration. The Commission office shall not process an applicant's application if the required qualifying education and experience has not been satisfied or if the application is incomplete. The Commission office shall keep an incomplete application active for six (6) months, unless the applicant requests an extension in writing to the Commission.
- (6) Renewal.
- (a) A registered trainee's registration shall expire two (2) years after the date of issuance.
  - (b) A registered trainee must renew his or her registration, at least thirty (30) days prior to its expiration, by filing the prescribed form with the Commission and paying a renewal fee of one hundred twenty-five dollars (\$125.00).
  - (c) If a registered trainee fails to file the prescribed form and pay the renewal fee within thirty (30) days prior to its expiration, the registered trainee may, upon payment of a one hundred dollar (\$100.00) late renewal penalty in addition to the renewal fee, apply for renewal. No late renewal will be granted if more than six (6) months has passed since the expiration of the registered trainee's registration. The registered trainee may then reapply to be a registered trainee.
- (7) Continuing Education.
- (a) A registered trainee who remains in the classification of registered trainee in excess of two (2) years shall be required to obtain a minimum of twenty-eight (28) classroom hours of instruction in courses, seminars, workshops or conferences approved by the Commission, prior to the next renewal period (hereinafter, "continuing education").
  - (b) As part of a registered trainee's continuing education, a registered trainee shall complete the seven (7) hour National Uniform Standards of Professional Appraisal Practice Course at least once every two (2) years as defined and required by rule 1255-04-.01(2).
  - (c) A classroom hour is defined as fifty (50) minutes of actual instruction for each sixty (60) minute segment.



- (d) The Commission may grant continuing education credit only where the length of the educational offering is at least two (2) hours.
- (e) An applicant may obtain continuing education credit from the following:
  - 1. colleges or universities
  - 2. community or junior colleges
  - 3. real estate appraisal or real estate related organizations
  - 4. state or federal agencies or commissions
  - 5. proprietary schools
  - 6. other providers approved by the Commission
- (f) The Commission may grant continuing education credit for educational offerings which are consistent with the purpose of continuing education stated in paragraph (h) below and cover real estate appraisal topics such as the following:
  - 1. ad valorem taxation
  - 2. arbitration
  - 3. business courses related to practice of real estate appraisal
  - 4. construction estimating
  - 5. ethics and standards of professional practice
  - 6. land use planning, zoning and taxation
  - 7. management, leasing, brokerage and timesharing
  - 8. property development
  - 9. real estate appraisal (valuations/evaluations)
  - 10. real estate law
  - 11. real estate litigation
  - 12. real estate financing and investment
  - 13. real estate appraisal related computer applications
  - 14. real estate securities and syndication
  - 15. real property exchange
- (g) The purpose of continuing education is to ensure that a registered trainee participates in a program that maintains and increases his or her skill, knowledge and competency in real estate appraisal.

Chapter 1255-2  
Evaluation of Appraiser Education

Amendments

Rule 1255-2-.01 Educational Logging is amended by deleting the text of the rule in its entirety and substituting instead the following so that as amended the rule shall read:

1255-2-.01 Educational Logging

Each applicant for a license or certificate will be required to prepare an educational log.

- (1) The educational log shall provide the following information:
  - (a) Date of course
  - (b) Name of course
  - (c) Content of course
  - (d) Provider
  - (e) Total classroom hours
  - (f) Location of course
- (2) An applicant may be required to provide additional information on education if deemed necessary by the Commission.

Authority: T.C.A. §§62-39-203, 62-39-204, 62-39-303, 62-39-312 and 62-39-333. Administrative History: Original rule filed August 1, 1991; effective September 15, 1991. Amendment filed October 26, 1993; effective January 11, 1994. Amendment filed December 16, 1997; effective March 1, 1998. Amendment filed December 6, 2007; effective February 19, 2008.

Rule 1255-2-.03 Course Provider Applications is amended by deleting the text of the rule in its entirety and substituting instead the following so that as amended the rule shall read:

1255-2-.03 Course Provider Applications

- (1) All applicants shall obtain qualifying education credit by successfully completing courses that are approved by the Commission. The Commission shall approve qualifying education courses and course providers based on the qualifications of the providers and the content of the courses. The Commission shall consider the following providers for approval:
  - (a) colleges or universities
  - (b) community or junior colleges
  - (c) real estate appraisal or real estate related organizations
  - (d) state or federal agencies or commissions
  - (e) proprietary schools
  - (f) other providers approved by the Commission.
- (2) The Commission may approve any qualifying education course on an individual basis.

- (3) Anyone seeking approval as a real estate appraisal course provider, and any real estate appraisal course provider seeking approval of a course or courses, shall submit the following with an application provided by the Commission:
- (a) a resume outlining the education and experience of the instructor(s) of such course(s);
  - (b) a detailed description of the content of each course and the appropriate module(s) for education credit;
  - (c) the projected schedule for the teaching of such course(s);
  - (d) notwithstanding approval prior to July 1, 1991, all providers seeking approval of courses shall submit course outlines to the Commission for approval of each course; and
  - (e) such other information as the Commission may reasonably request.

Authority: T.C.A. §§62-39-203, 62-39-204, and 62-39-333. Administrative History: Original rule filed October 26, 1993; effective January 11, 1994. Amendment filed December 16, 1997; effective March 1, 1998. Amendment filed January 19, 2001; effective April 5, 2001. Repeal and new rule filed December 13, 2004; effective February 26, 2005. Amendment filed December 6, 2007; effective February 19, 2008.

Rule 1255-2-.04 Course Guidelines is amended by deleting the text of the rule in its entirety and substituting instead the following so that as amended the rule shall read:

Rule 1255-2-.04 Course Guidelines

- (1) The following definitions are provided for the terms qualifying education, continuing education, distance education and interaction.
- (a) Qualifying education means education that is creditable toward the education requirements for trainee registration, initial licensure or certification under one (1) or more of the three (3) real estate appraiser classifications (Licensed Real Estate Appraiser, Certified Residential Real Estate Appraiser, and Certified General Real Estate Appraiser).
  - (b) Continuing education means education that is creditable toward the education requirements that must be satisfied to renew registration as a trainee or licensure or certification as a Licensed Real Estate Appraiser, Certified Residential Real Estate Appraiser, and Certified General Real Estate Appraiser.
  - (c) Distance Education means the educational process in which instruction does not take place in a traditional classroom setting but rather through other media or non conventional methods in which teacher and student are separated by distance and sometimes by time and the course provides interaction.
  - (d) Interaction means a reciprocal exchange where the student has verbal or written communication with the instructor.
- (2) An applicant to be a course provider shall demonstrate to the satisfaction of the Commission that each traditional classroom based course submitted for approval shall:
- (a) cover subjects which are reasonably related to the practice of real estate appraisal and suitably advanced to benefit and enrich the students enrolled,
  - (b) be conducted in a facility that meets the requirements of the Americans with Disabilities Act and contains adequate space, seating, and equipment,
  - (c) consist of no fewer than two (2) classroom hours for continuing education and fifteen (15) hours with an examination for licensure/certification requirements, and

- (d) incorporate appropriate methods for determining whether a student has successfully completed such course. Such methods shall include, but not be limited to:
  - 1. provisions to make up for classes or hours missed by a student, and
  - 2. for qualifying education and the fifteen (15) hour course in the Uniform Standards of Professional Appraisal Practice, a minimum passing requirement of seventy percent (70%) and a comprehensive final examination (or equivalent measure of achievement)
- (3) Internet Education/ Distance Education for Continuing and Qualifying Education
  - (a) Courses given via internet or distance education can make up one hundred percent (100%) of the total requirement for education and shall be acceptable to meet the requirements of continuing and qualifying education if:
    - 1. The course provides interaction.
    - 2. Content approval is obtained from the AQB, a state licensing jurisdiction, or an accredited college, community college, or University that offers distance education programs and is approved or accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education. Non-academic credit college courses provided by a college shall be approved by the AQB or the state licensing jurisdiction, and
  - (b) Course delivery mechanism approval is obtained from one of the following sources:
    - 1. AQB approved organizations providing approval of course design and delivery,
    - 2. college that qualifies for content approval in section (a) above that awards academic credit for the distance education course, or
    - 3. a qualifying college for content approval with a distance education delivery program that approves the course design and delivery that incorporate interactivity.
- (4) Qualifying and continuing educational requirements may be satisfied through the completion of Commission approved distance educational offerings.
  - (a) Persons or entities seeking Commission approval for a distance educational offering shall submit an outline and description of the entire course and provide documentation which demonstrates the course complies with the following criteria:
    - 1. The educational offering is presented by an approved or accredited college, community or junior college or university that offers distance educational programs and credit in other disciplines; or
    - 2. The educational offering is presented by a proprietary school that has been approved by the Tennessee Real Estate Appraiser Commission, the course design and delivery mechanism has been approved by the International Distance Education Certification Center (IDECC) and the Appraisal Qualifications Board.
    - 3. That the course teaches to the mastery of the subject and at a minimum covers the following criteria:
      - (i) Divides the material into major units as approved by the board;
      - (ii) Divides each of the major units of content into modules of instruction for delivery on a computer or other approved interactive audio or audio visual programs;
      - (iii) Divides the learning objectives for each module of instructions. The learning content of the course will be mastered;

- (iv) Specify an objective, quantitative criterion for mastery used for each learning objective;
  - (v) Provide a means of diagnostic assessment of each student's performance on an ongoing basis during each module of instruction;
  - (vi) Require the student to demonstrate mastery of all material covered by the learning objectives for the module before the module is completed;
  - (vii) That the course offering is designed in such a way that the material is presented under an approved instructor who shall be available to answer student questions or provide assistance on a timely basis as necessary;
  - (viii) The instructor will provide reasonable oversight of a student's work to ensure that the student who completes the work is the student who enrolled in the course;
  - (ix) The course provider must provide documentation of an acceptable method that ensures that the student achieves the classroom hourly equivalent as approved by the Commission. Any form of delivery that provides the student the opportunity to circumvent instructional design strategies that require them to read the material and spend the appropriate amount of time in the course will not be approved;
- (5) For a distance education course where an official cannot proctor classroom attendance and an exam is required, such an examination shall be:
- (a) Proctored by an individual approved pursuant to 1. below; or
  - (b) Conducted at a proctored testing facility pursuant to 2. below;
1. Examination Proctors Qualifications
- (i). The proctor shall not be related to the student by blood or marriage and may not be engaged in any personal or business association with the student.
  - (ii) The proctor may be selected from the following professions:
    - (I) A university, college or community college professor or instructor
    - (II) A public and private school professional (superintendent, principal, guidance counselor, librarian, etc.)
    - (III) An AQB certified instructor or an approved professional association's instructor.
    - (IV) A Notary Public or member of the legal profession
2. The following formal proctored testing facilities are also acceptable:
- (I) a university, college or community college testing facility.
  - (II) the testing facility of a professional association.
  - (III) a public or university, college or community college library that provides a testing facility as part of their normal course of business.
  - (viii) The individual proctor in (ii) or testing facility in (iii) must be approved by the Commission prior to taking the test.

(6) Examination Proctor Duties

- (a) Take reasonable steps to ensure that the person taking the examination is the person registered for the course. This should be verified with photo identification and another identification document.
  - (b) Take reasonable steps to observe the student taking the exam to ensure that prohibited aids and resources are not used. If the exam calls for mathematical calculations, a non-programmable hand-held calculator may be used.
  - (c) The proctor shall ensure that the student adheres to any time limit requirements specified for the examination. All examinations must be completed in one sitting.
  - (d) Upon completion of the examination, the proctor shall submit a certification indicating the verification of the identity of the student, that the examination was completed on the date assigned during the time permitted and that the student has done all the work him/herself without aids of any kind including books, notes, conversation with others or any other external resource while taking the examination, including access to Internet search engines or web pages other than that displaying the examination.
  - (e) Students are to submit a notarized affidavit certifying that they have personally completed each assigned module of instruction.
- (7) Approval by the Commission is initially granted for a period of two years provided no substantive changes in course content is made and approval may be extended for an additional two years upon written request by the provider. Failure to timely request an extension will result in automatic termination of the educational offerings approval status.
- (8) The Board may at its discretion adopt and implement various procedures for the auditing of any offerings that have been accepted for qualifying and continuing education approval by this agency.
- (9) Each hour of course instruction shall consist of fifty (50) minutes of actual instruction for every sixty (60) minute segment.
- (10) Attendance. For distance education seminars where classroom attendance cannot be proctored by an on-site official approved by the presenting entity, the provider shall have a method acceptable to the Commission for ensuring student achievement of the course hour equivalent.
- (11) The courses listed in rules 1255-2-.05 and 1255-2-.06 are additions to those outlined in other sections and those lists of courses supplement those courses identified in other rules.

Authority: T.C.A. §§62-39-203, 62-39-204, and 62-39-333. Administrative History: Original rule filed October 26, 1993; effective January 11, 1994. Repeal and new rule filed December 13, 2004; effective February 26, 2005. Repeal and new rule filed December 6, 2007; effective February 19, 2008.

Rule 1255-2-.13 Fees is amended by deleting the text of the rule in its entirety and substituting instead the following so that as amended the rule shall read:

1255-2-.13 Fees

- (1) The required fee from a course provider for approval of courses fifteen (15) hours or longer shall be two hundred dollars (\$200.00) for each course. Once the application has been filed and processed, the application fee may not be refunded.
- (2) The required fee from a course provider for approval of courses less than fifteen (15) hours shall be one hundred dollars (\$100.00) for each course. Once the application has been filed and processed, the application fee may not be refunded.
- (3) Course approval shall be valid for a two year (2)-year period from the date of approval and shall be renewed biennially thereafter.

- (a) The provider of an approved course who wishes to renew such approval shall submit an application, on a form approved by the Commission, along with a renewal fee of two hundred dollars (\$200.00) for each course fifteen (15) hours and over or one hundred dollars (\$100.00) for each course less than fifteen (15) hours, within thirty (30) days prior to the approval's expiration.
  - (b) In order to renew course approval and in addition to the payment of the appropriate fee, the provider shall also submit with the application a notarized statement certifying that the provider has not significantly changed the content of the course since its original approval.
  - (c) If a provider fails to renew course approval within thirty (30) days or the approval's expiration date, the provider may, upon payment of a fifty dollar (\$50.00) penalty, apply for a late renewal. No late renewals or course approval will be granted if over six (6) months have passed since expiration.
- (4) The Commission will not require a fee from state supported universities, colleges and junior colleges which provide courses for qualifying or continuing education.

Authority: T.C.A. §§62-39-203, 62-39-204, 62-39-206, and 62-39-333. Administrative History: Original rule filed October 26, 1993; effective January 11, 1994. Amendment filed December 16, 1997; effective March 1, 1998. Amendment filed January 19, 2001; effective April 5, 2001. Repeal and new rule filed December 13, 2004; effective February 26, 2005. Amendment filed December 6, 2007; effective February 19, 2008.

Rule 1255-3-.02 Criteria for Standard and Review Appraisal Experience is amended by deleting the text of the rule in its entirety and substituting instead the following so that as amended the rule shall read:

1255-3-.02 Criteria for Standard and Review Appraisal Experience

(1) Acceptable Experience.

- (a) If the applicant performed at least fifty percent (50%) of the appraisal report, then the Commission shall grant full credit for that appraisal, even if this work was reviewed by a supervising appraiser who signed the appraisal report. Except as provided below for "review appraisals," credit will not be granted for appraisals where an applicant performed less than fifty percent (50%) of the work.
- (b) Review Appraisals: If the applicant performed a "review" of an appraisal performed by another person and the applicant prepared a separate written review appraisal report, in conformance with Standard 3 of the Uniform Standards of Appraisal Practice, the applicant will receive credit for the actual work hours performed on the assignment.
- (c) Mass Appraisals. The Commission shall grant experience credit to appraisers who perform mass appraisals in compliance with Standard Six of Uniform Standards of Professional Appraisal Practice and who demonstrate that they:
  1. use techniques to value properties similar to those used by appraisers practicing under Uniform Standards of Professional Appraisal Practice Standard One; and
  2. effectively use the appraisal process as referenced in the Guidelines of Standard Six of the Uniform Standards of Professional Appraisal Practice.
  3. Properties which conform to the preceding definitions should be credited for the actual work hours performed on the assignment. Mass appraisals shall comprise no more than twenty-five percent (25%) of the total experience hours required to become licensed or certified.

- (2) Requests for Reconsideration: If an applicant wishes to appeal the evaluation of his experience he may file a written request for individual review by the Commission. Nothing in this rule shall create the right to a formal contested proceeding (as defined by the Tennessee Administrative Procedures Act).
- (3) An applicant should also refer to Chapter 1255-1 GENERAL PROVISIONS for further delineation of experience requirements.
- (4) No experience credit shall be given for evaluations.
- (5) In appropriate circumstances, the Commission may grant partial or whole credit for demonstration reports. No more than twenty-five percent (25%) of the experience requirement may be obtained through demonstration reports from AQB approved case study courses or practicum courses or demonstration reports approved by the Commission.

Authority: T.C.A. §§62-39-203, 62-39-204, 62-39-303, 62-39-312, 62-39-313, 62-39-329, 62-39-333, and 62-39-337, as amended by 1991 Public Acts, Chapter 366. Administrative History: Original rule filed August 1, 1991; effective September 15, 1991. Amendment filed October 26, 1993; effective February, 2008 (Revised) January 11, 1994. Amendment filed January 19, 2001; effective April 5, 2001. Amendments filed December 13, 2004; effective February 26, 2005. Amendments filed December 6, 2007; effective February 19, 2008.

Rule 1255-4-.01 Continuing Education Requirements is amended by deleting the text of the rule in its entirety and substituting instead the following so that as amended the rule shall read:

#### 1255-4-.01 Continuing Education Requirements

- (1) As a prerequisite to renewal of a real estate appraiser license or certificate, the licensee or certificate holder shall complete at least twenty-eight (28) hours of continuing education instruction approved by the Commission during each renewal period, which is every two (2) years (hereinafter "continuing education").
  - (a) A course hour is defined as fifty (50) minutes of teaching out of each sixty (60) minute segment.
  - (b) The Commission will grant credit toward the continuing education requirement only where the length of the educational offering is at least two (2) hours.
  - (c) A state licensed, state certified residential or a state certified general real estate appraiser may obtain credit for the continuing education requirement from the following:
    1. colleges or universities
    2. community or junior colleges
    3. real estate appraisal or real estate related organizations
    4. state or federal agencies or commissions
    5. proprietary schools
    6. other providers approved by the Commission
  - (d) The Commission may grant credit for educational offerings which cover real estate appraisal related topics, such as the following, which are consistent with the purpose of continuing education:



1. ad valorem taxation
2. arbitration, dispute resolution
3. courses related to practice of real estate appraisal or consulting
4. development cost estimating
5. ethics and standards of professional practice, USPAP
6. land use planning, zoning, taxation
7. management, leasing, timesharing
8. property development, partial interests
9. real estate law, easements, and legal interests
10. real estate litigation, damages, condemnation
11. real estate financing and investment
12. real estate appraisal related computer applications
13. real estate securities and syndication

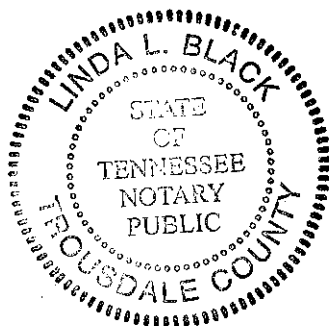
- (2) All licensees and certificate holders shall successfully complete the seven (7)-hour National Uniform Standards of Professional Appraisal Practice Update Course, or its equivalent, a minimum of once every two (2) years. Equivalency shall be determined through the Appraisal Qualifications Board Course Approval Program. The seven (7)-hour National Instructor Recertification Course for Uniform Standards of Professional Appraisal Practice shall fulfill the seven (7) hour continuing education requirement for AQB approved instructors of the National Uniform Standards of Professional Appraisal Practice.
- (3) The Commission shall grant continuing education credit for the National Uniform Standards of Professional Appraisal Practice Update Course only when at least one of the instructors is an Appraiser Qualifications Board Certified Instructor and a state certified general or residential real estate appraiser.
- (4) The Commission shall grant continuing education credit for any course that a licensee has taken more than once if the course has undergone a significant update or if the licensee has not taken the course in the last five (5) years.
- (5) Seminars.
  - (a) The Commission may offer seminars to the licensees for which fees, as appropriate, may be collected to cover costs.
  - (b) These seminars may be used by the licensees for continuing education credit.

- (c) These seminars may include, but are not limited to the following subjects: laws and rules, policies and Uniform Standards of Professional Appraisal Practice.
- (6) The purpose of continuing education is to ensure that the appraiser participates in a program that maintains and increases his or her skill, knowledge and competency in real estate appraisal.
- (7) The Commission may grant up to one half (1/2) of an individual's continuing education credit for participation, other than as a student, in appraisal educational processes and programs. Examples of activities for which credit may be granted are teaching, program development, authorship of textbooks, or similar activities which the Commission determines are equivalent to obtaining continuing education. Credit for instructing any given course or seminar can only be awarded once during a continuing education cycle.

**Authority:** T.C.A. §§62-39-203, 62-39-204, 62-39-206, 62-39-306, 62-39-325 and 62-39-333. **Administrative History:** Original rule filed August 1, 1991; effective September 15, 1991. Amendment filed October 26, 1993; effective January 11, 1994. Amendment filed December 16, 1997; effective March 1, 1998. Repeal and new rule filed December 13, 2004; effective February 26, 2005. Repeal and new rule filed December 6, 2007; effective February 19, 2008.

Rule 1255-3-.01 Hourly Credit Guidelines is repealed.

I certify that the information included in this filing is an accurate and complete representation of the intent and scope of rulemaking proposed by the agency.



Date: November 16, 2011

Signature: *Aminah P. Saunders*

Name of Officer: Aminah Peay Saunders

Title of Officer: Assistant General Counsel

Subscribed and sworn to before me on: Nov. 16, 2011

Notary Public Signature: *[Signature]*

My commission expires on: 5/6/2012

Department of State Use Only

Filed with the Department of State on: 11/17/11

*Tre Hargett*  
Tre Hargett  
Secretary of State

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